CALIFORNIA PARTICIPATING ADDENDUM WESTERN STATES CONTRACTING ALLIANCE AMENDMENT #1

COMPUTER EQUIPMENT, SOFTWARE, PERIPHERALS AND RELATED SERVICES HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS MASTER PRICE AGREEMENT A63310

1. Scope: This Participating Addendum covers the purchase of Computer Equipment, Software, Peripherals and Related Services for California political subdivisions (local governments). Depending on the contractor's award, as identified in the Master Price Agreement, the following equipment may be covered: Computer Equipment, Software, Peripherals and Related Services. A political subdivision (local government) is defined as any city, county, city and county, district, or other local governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds. Each political subdivision (local government) should make its own determination whether the WSCA program is consistent with their procurement policies and regulations.

STATE AGENCIES ARE RESTRICTED FROM USING THIS CONTRACT IN ACCORDANCE WITH MANAGEMENT MEMO 05-11, EXCEPT FOR THOSE CATEGORIES NOT OFFERED UNDER CALIFORNIA STRATEGIC SOURCING INITIATIVE (CSSI) CONTRACTS FOR IT HARDWARE: PC GOODS AND ENTERPRISE, SERVERS AND STORAGE PRODUCTS.

- 2. **Changes**: Changes to the terms and conditions of the signed Master Price Agreement and Participating Addendum are as follows:
 - a. State agencies with the exception of all Constitutional Officers, the University of California, the California State University, the Lottery Commission, the Public Employees' Retirement System, the State Teachers' Retirement System, the State Compensation Insurance Fund and other independent state entities are restricted from using the WSCA contract for the following categories:
 - Desktop Workstation
 - Monitors
 - Notebooks
 - PC Servers
 - Printers
 - Peripherals

- Tape Devices
- Disk Storage Systems (Mainframe and Open)
- HP Unix-based Servers
- IBM Unix-based Servers
- NAS Servers
- SAN Fabric
- Sun Unix-based Server
- State Agencies may use the WSCA Master Price Agreement for all other product categories and maintenance.
- c. Reports & Administrative Fee: The following paragraph is modified as follows;

The Contractor shall submit a check, in addition to the report, payable to the State of California, Contract Administrator for the calculated administrative fee for an amount equal to one percent (0.01) of the sales for the quarterly period. This fee shall be included as an adjustment to contractors WSCA pricing and not invoiced or charged to the purchasing entity. The discount reduction cannot be more than the California administrative fee. Payment of the administrative fee by Contractor shall be made to DGS irrespective of reimbursement by each participating entity.

ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

CALIFORNIA PARTICIPATING ADDENDUM WESTERN STATES CONTRACTING ALLIANCE AMENDMENT #1

COMPUTER EQUIPMENT, SOFTWARE, PERIPHERALS AND RELATED SERVICES HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS MASTER PRICE AGREEMENT A63310

This Addendum and the Price Agreement together with its exhibits and previous amendments, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Price Agreement and its exhibits and previous amendments shall prevail and govern in the case of any such inconsistent or additional terms.

IN WITNESS WHEREOF, the parties have executed this Participating Addendum as of the date of execution by both parties below.

State of California: ORIGINA	HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS L SIGNATURES ON FILE
Ву:	By:
Name: Rita Hamilton	Name:
Title:Deputy Director	Title:
Date:	Date:

CALIFORNIA PARTICIPATING ADDENDUM WESTERN STATES CONTRACTING ALLIANCE

COMPUTER EQUIPMENT, SOFTWARE, PERIPHERALS AND RELATED SERVICES HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS MASTER PRICE AGREEMENT A63310

- 1. Scope: This Participating Addendum covers the purchase of Computer Equipment, Software, Peripherals and Related Services for all State Agencies and will include all California political subdivisions. Depending on the contractor's award, as identified in the Master Price Agreement, the following equipment may be covered: Computer Equipment, Software, Peripherals and Related Services. A political subdivision is defined as any city, county, city and county, district, or other local governmental body or corporation, including the California State Universities (CSU) and University of California (UC) systems, K-12 schools and community colleges empowered to expend public funds. Each political subdivision should make its own determination whether the WSCA program is consistent with their procurement policies and regulations.
- 2. Changes: Changes to the terms and conditions of the signed Master Price Agreement are as follows:
 - a. The California General Provisions (CAGP), dated November 12, 2004 for Western States Contracting Alliance, become a part of this Participating Addendum.
 - b. The California General Provisions (CAGP) shall prevail if there is a conflict between the terms and conditions of the contractor's WSCA State of Minnesota, Statewide Contract, packaging, invoices, catalogs, brochures and technical data sheets.
 - c. State of Minnesota, Statewide Contract cover page, is hereby modified as follows: "Original Award Date" changed to "Effective Date ______".
 - d. DGS Termination of Contract

The State may terminate this contract at any time upon one-month prior written notice. Upon termination or other expiration of this contract, each party will assist the other party in orderly termination of the contract and the transfer of all assets, tangible and intangible, as may facilitate the orderly, nondisrupted business continuation of each party. This provision shall not relieve the contractor of the obligation to perform under any purchase order or other similar ordering document executed prior to the termination becoming effective.

- e. At the State's sole option, the Department of General Services (DGS) reserves the right to invoke negotiations pursuant to Public Contract Code Section 6611, in accordance with existing guidelines and procedures adopted by the Department of General Services.
- **3. Reports & Administrative Fee:** A report shall be submitted to the California Contract Administrator for all California purchases providing the following information:

Agency Name, Purchase Order Number, Purchase Order Date, Total Purchase Order Amount, WSCA Administrative Fee Dollar Amount, Agency Contact Name, Agency Address, Agency Telephone Number, Total Dollars for the quarter.

The Contractor shall submit a check, in addition to the report, payable to the State of California, Contract Administrator for the calculated administrative fee for an amount equal to one percent (0.01) of the sales for the quarterly period. This fee shall be included as an adjustment to contractors WSCA pricing and not invoiced or charged to the purchasing entity.

CALIFORNIA PARTICIPATING ADDENDUM WESTERN STATES CONTRACTING ALLIANCE

COMPUTER EQUIPMENT, SOFTWARE, PERIPHERALS AND RELATED SERVICES HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS MASTER PRICE AGREEMENT A63310

A report is due even when there is no activity. Any report that does not follow the required format or that excludes information will be deemed incomplete. Failure to submit reports and fees on a timely basis shall constitute grounds for suspension of this agreement. Reports and fee delivery will be in accordance with the following schedule.

Calendar Quarter 1 (JAN 1 to MAR 31)	Due APR 30
Calendar Quarter 2 (APR 1 to JUN 30)	Due JUL 31
Calendar Quarter 3 (JUL 1 to SEP 30)	Due OCT 31
Calendar Quarter 4 (OCT 1 to DEC 31)	Due JAN 31

The administrative fee check and report should be submitted to the following address:

Theresa LeClaire
Department of General Services
Procurement Division
Multiple Award Program
707 Third Street, 2nd Floor, West Sacramento, CA 95605

4. The primary state government contact for this Participating Addendum is as follows:

Department of General Services
Procurement Division
Multiple Award Program
707 Third Street, 2nd Floor, West Sacramento, CA 95605

Contact: Theresa LeClaire

E-mail: theresa.leclaire@dgs.ca.gov

Phone: (916) 375-4383 Fax: (916) 375-4663

5. The primary HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS customer contact for this Participating Addendum is as follows:

HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS

Address:

Contact:

E-Mail:

Phone:

Fax:

CALIFORNIA PARTICIPATING ADDENDUM WESTERN STATES CONTRACTING ALLIANCE

COMPUTER EQUIPMENT, SOFTWARE, PERIPHERALS AND RELATED SERVICES HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS MASTER PRICE AGREEMENT A63310

6. Price Agreement Number: The price agreement number for the Participating State is A63310.

The Master Price Agreement Number MUST be shown on all Purchase Orders issued against this Agreement.

This Addendum and the Price Agreement together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms.

- 7. Effective Dates: This Participating Addendum shall be effective upon approval by the Department of General Services and will continue until the Termination Date of the Master Price Agreement, unless terminated early in accordance with the terms and conditions of the Master Price Agreement or this Participating Addendum.
- **8. Servicing Subcontractors:** The Contractor, at this time, will not be using subcontractors to provide any products or services.

IN WITNESS WHEREOF, the parties have executed this Participating Addendum as of the date of execution by both parties below.

State of California:	HOWARD INDUSTRIES, Inc. which will do business in California as HOWARD COMPUTERS
ORIGINAL SIGN	NATURES ON FILE
By:	Ву:
Name: Rita Hamilton	Name:
Title:Deputy Director	Title:
Date:	Date: